



**State & Federal Contractors
Water Agency**

1121 L Street, Suite 802, Sacramento, CA 95814

June 7, 2010

Mr. Philip Isenberg, Chair
Delta Stewardship Council
650 Capitol Mall, 5th Floor
Sacramento, CA 95814

Dear Phil:

On behalf of the State and Federal Contractors Water Agency (SFCWA)*, I am writing to provide our view regarding a key part of the historic legislative water policy package signed into law last year that is critical to the Council's mission but which we are concerned is being repeatedly mischaracterized in various forums. We are concerned that misstatements made often enough may take on an aura of authenticity. We hope the Council will guard against this.

Section 85021 of "Chapter 2. Delta Policy" states:

The policy of the State of California is to reduce reliance on the Delta in meeting California's future water supply needs through a statewide strategy of investing in improved regional supplies, conservation, and water use efficiency.
[Emphasis added.]

Notwithstanding the clear intent of this language that a statewide approach to increasing regional self-sufficiency is the statutory direction for meeting future water supply needs, some have stated that the legislation establishes a State policy to reduce exports from the Delta. Reduced reliance does not mean absolute reduction. As additional regional supplies are added to meet growth in demands the relative reliance on Delta exports will decrease but the actual level of exports likely will not. Indeed, it is an objective of the Bay Delta Conservation Plan to restore supply lost to recent regulatory actions consistent with the co-equal goals.

*SFCWA is a Joint Powers Authority of water contractors that receive water from the State Water Project and the Central Valley Project. Together, SFCWA members serve over 25 million Californians and provide water to irrigate more than 3 million acres of the nation's most productive agricultural lands. SFCWA's mission is to assist its member agencies in assuring a sufficient, reliable and high quality water supply for their customers and maximize the efficient operation and integration of the State Water Project and federal Central Valley Project.

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Significantly, the "reduced reliance" language is part of a paragraph focused on statewide investment in regional self-sufficiency. The intent is investment in developing new water supplies and improved water use efficiency at the regional and local level will relieve the burden of increasing demands upon the export projects. Proportional demands relying on export supplies will decrease going forward -- the practical result of increasing population growth and large demands remaining unmet in many years because the volume of exports will continue to be limited by regulatory requirements and hydrologic conditions, thus increasing the proportional dependence on regional self-sufficiency to meet future water supply reliability goals.

The conclusion of the Delta Vision Blue Ribbon Task Force related to this issue is informative. In its final report, the Task Force included as one of its twelve *integrated and linked* recommendations:

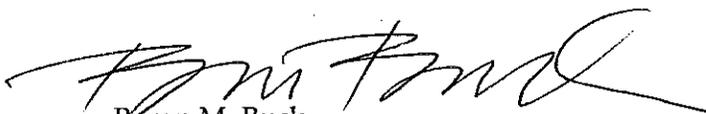
A revitalized Delta ecosystem will require reduced diversions, or changes in patterns and timing of those diversions, upstream, within the Delta and exported from the Delta at critical times. [Emphasis added.]

It is telling that the legislation did not include any reference to reducing diversions or exports. Instead, the statute establishes a state policy to "reduce reliance" for "future" demands "through" investments in improved regional self-sufficiency. The Legislature recognized that California needs to develop alternative supplies and increase water use efficiency at the local and regional level to meet growing demands. There is no suggestion that exports should be curtailed -- just that whatever level of exports are permitted that they be achieved consistent with the co-equal goals.

As Delta Vision concluded, the main point is that the system should be optimized for both ecosystem restoration and improved water supply reliability by better managing diversions throughout the watershed. This determination presaged the similar recommendations made by the recent National Research Council report which also concluded we must undertake a much more sophisticated approach to Delta management.

The notion promoted by some that State policy is now focused on "reducing exports from the Delta" is a misreading of the statute, creates unrealistic expectations, and is detrimental to informed development of the Council's Delta Plan.

Sincerely,



Byron M. Buck
Executive Director